

# Idaho Transportation Department

Analyst: Milstead

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2004 Total App</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Approp</b>	<b>FY 2006 Request</b>	<b>FY 2006 Gov Rec</b>
<b>BY PROGRAM</b>					
Management and Admin Services	20,104,400	18,411,300	20,914,200	21,806,000	21,679,000
Planning	3,624,900	3,428,100	3,727,800	5,578,800	5,547,200
Motor Vehicles	17,882,300	16,146,800	17,693,600	18,300,500	18,174,200
Highway Operations	126,792,300	120,107,400	130,491,000	137,588,200	136,861,300
Capital Facilities	2,150,000	2,199,500	3,850,000	3,850,000	3,850,000
Contract Const/Right-of-Way Acq	392,389,100	254,106,100	241,599,800	283,426,400	284,018,100
Aeronautics	4,909,100	3,321,100	3,416,800	3,466,700	3,454,400
Public Transportation	4,198,200	3,879,100	4,217,100	4,249,300	4,246,000
<b>Total:</b>	<b>572,050,300</b>	<b>421,599,400</b>	<b>425,910,300</b>	<b>478,265,900</b>	<b>477,830,200</b>
<b>BY FUND CATEGORY</b>					
Dedicated	251,424,300	196,136,400	205,352,500	227,034,600	226,652,200
Federal	320,626,000	225,463,000	220,557,800	251,231,300	251,178,000
<b>Total:</b>	<b>572,050,300</b>	<b>421,599,400</b>	<b>425,910,300</b>	<b>478,265,900</b>	<b>477,830,200</b>
Percent Change:		(26.3%)	1.0%	12.3%	12.2%
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	98,975,200	91,979,700	102,485,200	108,700,200	108,278,900
Operating Expenditures	56,278,700	52,898,500	55,418,200	65,371,100	64,646,500
Capital Outlay	403,275,100	269,972,800	259,767,200	288,487,900	289,198,100
Trustee/Benefit	13,521,300	6,748,400	8,239,700	15,706,700	15,706,700
<b>Total:</b>	<b>572,050,300</b>	<b>421,599,400</b>	<b>425,910,300</b>	<b>478,265,900</b>	<b>477,830,200</b>
Full-Time Positions (FTP)	1,838.00	1,838.00	1,833.50	1,833.50	1,833.50

## Department Description

The Idaho Transportation Department has eight budgeted programs:

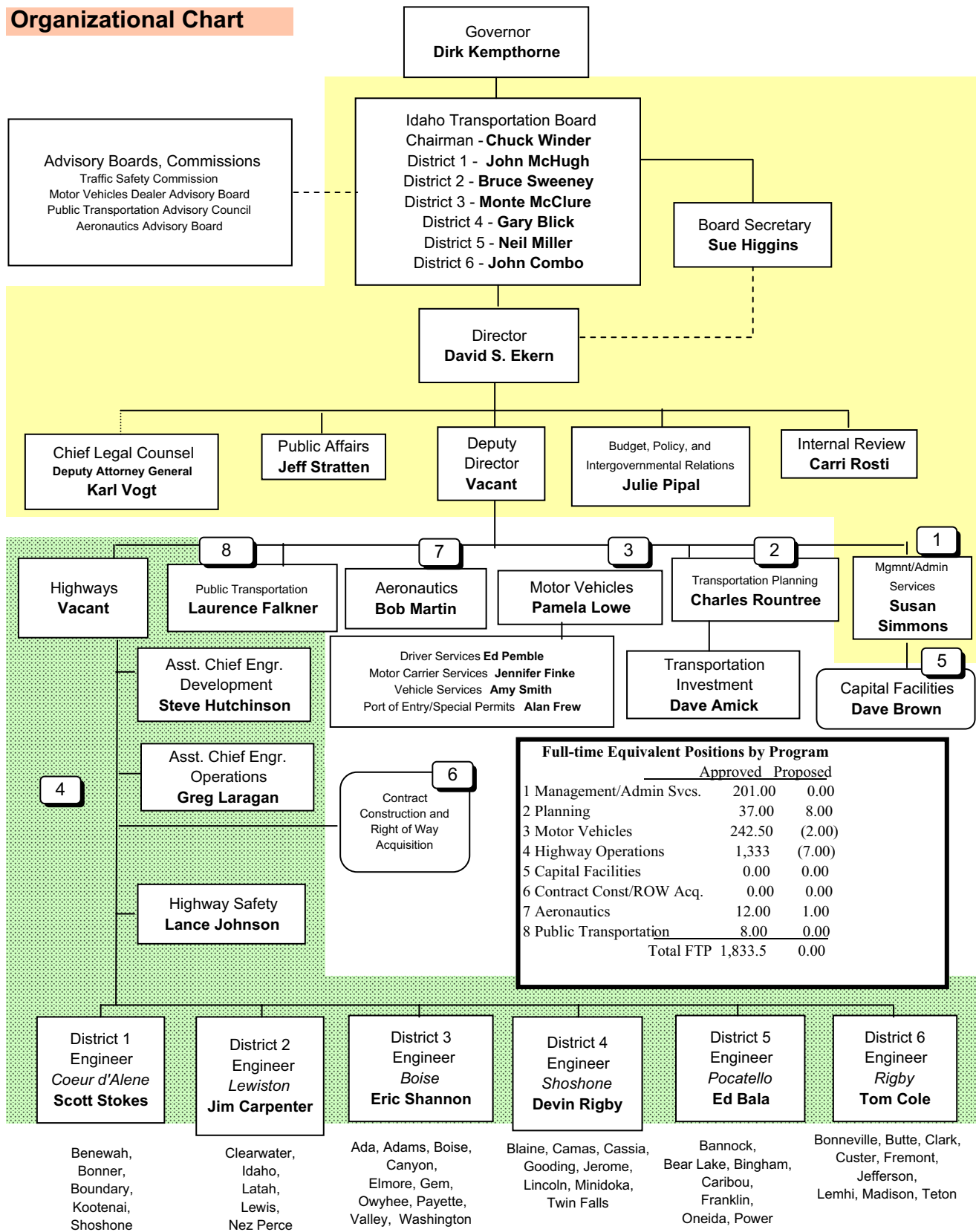
- 1) The Management and Administrative Services program develops long-range budgetary plans; develops legislation; develops and operates information systems; provides employee services, financial services, and facilities management; coordinates research activities; and ensures compliance with department policies and procedures.
- 2) The Planning program coordinates the Department's strategic plan; maintains inventories for transportation systems; coordinates transportation research efforts; provides a statewide transportation plan; maintains the department's schedule of transportation projects; and assists local governments with transportation planning.
- 3) The Motor Vehicles program manages driver's licenses, vehicle registrations, license plates, and vehicle titles.
- 4) Highway Operations directs statewide highway maintenance and highway improvements; administers federal-aid safety improvement projects and safety tasks; protects highways from oversize, overweight, and dangerous usage; develops projects to improve state and local highway systems to save lives; and maximizes the use of federal, state and local construction funds.
- 5) Capital Facilities administers the design, building and maintenance of Department facilities.
- 6) Contract Construction & Right-of-Way Acquisition accounts for the funds necessary for highway construction projects that maintain and improve the state's highway system.
- 7) Aeronautics assists Idaho municipalities in developing their airports and operates the state's air fleet.
- 8) Public Transportation manages the federal transit grant programs and encourages coordinated transportation services throughout the state.

# Idaho Transportation Department

## Agency Profile

Analyst: Milstead

### Organizational Chart



# Idaho Transportation Department

## Agency Profile

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### Selected Measures

1 Lane Miles by District	Dist. 1	Dist. 2	Dist. 3	Dist. 4	Dist. 5	Dist 6
Interstate	294	0	519	677	640	337
Principal Arterial	530	780	1,047	513	408	1,043
Minor Arterial	336	202	654	587	313	591
Collector	260	479	305	552	452	319
<b>Total*</b>	<b>1,434</b>	<b>1,460</b>	<b>2,522</b>	<b>2,329</b>	<b>1,814</b>	<b>2,290</b>

\* The State Highway System has approximately 11,850 lane miles.

### 2 System Condition

Fiscal Year	CY 2002 Act	CY 2003 Act	CY 2004 Act	CY 2005 Est
Statewide Deficient Pavement	15%	16%	16%	15%
By District				
Dist 1	12%	9%	9%	*
Dist 2	12%	14%	14%	*
Dist 3	22%	23%	23%	*
Dist 4	12%	18%	18%	*
Dist 5	7%	7%	10%	*
Dist 6	19%	18%	19%	*
Reduce # of weight-restricted bridges	17	12	10	7
Reduce # of width-restricted bridges	49	44	45	30
Reduce height-restricted truss bridges	7	7	7	4

### 3 Safety Measures

Reduce fatality rate to 1.80*	1.91	1.93	1.85	1.82
Reduce serious injury to 10.22*	12.44	12.00	11.23	10.71
Increase seat belt usage to 76%	63%	72%	74%	74%

\*Per 100 million annual vehicle miles of travel

### Sources/Uses of Funds

<b>State Highway--Dedicated (0260-02):</b> Revenues from fuel taxes, registrations and fines. Used to pay for constructing, maintaining and administering the state highway system; used as a match for federal funds.	<b>FY05 Appr.</b>
	\$197,926,300
<b>State Highway--Federal (0260-03):</b> Federal aid used to reimburse state construction and improvement expenditures.	217,300,200
<b>State Highway--Billing (0260-04):</b> Revenues derived from billings to state agencies for services provided.	571,400
<b>State Highway--Local (0260-05):</b> Local funds deposited to the State Highway Fund used as match for construction and improvement projects.	4,645,600
<b>Idaho Traffic Safety--Federal (0263-00):</b> Federal dollars for reimbursement upon the completion of certain safety tasks.	2,000,000
<b>State Aeronautics--Dedicated (0221-02):</b> Aviation fuel tax levied on all aircraft engine fuel sold in the state. Used for licensing of aircraft and airmen, and for regulating operations of aircraft.	2,060,500
<b>State Aeronautics--Federal (0221-03):</b> Revenue from federal grants for airport maintenance/renovation projects.	1,257,600
<b>State Aeronautics--Billing (0221-02):</b> Receipts collected and used to offset the use of state-owned aircraft by other state agencies.	148,700
	<b>\$425,910,300</b>

# Idaho Transportation Department

## Agency Profile

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### Idaho Transportation Dept. Tax Rates

Year	State Fuel Tax Rate (cents)
1976-1981	9.5
1981-1982	11.5
1982-1983	12.5
1983-1988	14.5
1988-1991	18.0
1991-1995	21.0
1996 to present	25.0

- \* The Legislature increased gasoline and special fuel rates 4 cents effective April 1, 1996. The one cent Petroleum Storage Trust Tax effective May 1990 and suspended October 1, 2000 is not reflected in the above tax rates.
- \* Among six regional neighboring states, Idaho's state and local fuel tax rate is in the middle--three regional neighbors have higher rates (NV--33.2 cents, MT--27.8 cents, WA--28.0 cents) while three have lower rates (UT--24.5 cents, OR--24.0 cents, WY--14.0 cents). [NOTE: Fuel tax rates provide only one variable associated with the cost of automobile ownership/travel. Other relevant fees vary from state-to-state including vehicle registration, operator licenses, property taxes on vehicles, and other miscellaneous fees.]
- \* Federal gasoline taxes of 18.4 cents and federal diesel taxes of 24.4 cents are in addition to state and local fuel taxes and petroleum storage fees. The current total gasoline tax in Idaho is 43.4 cents per gallon.

### Selected Trend Indicators Actual and Projected Annual Growth

	Annualized FY78-04	Projected FY04-05
Cars Registered	3.2%	-1.7%
Driver Licenses*	2.2%	-0.5%
Population	2.1%	1.5%
Gallons of Total Highway Fuel Taxed**	1.8%	1.6%
Gallons of Gasoline Taxed	0.7%	1.2%

\*\*Drivers licenses are now issued on a four-year cycle which results peak and off years.

\*Highway fuel includes gallons of gasoline, diesel, and other highway-taxable fuels sold.

# Idaho Transportation Department

## Agency Profile

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### Replacement Items (by Division, by Type)

<u>Division</u>	<u>Type of Equipment</u>	<u>Request</u>
<b>Management &amp; Support</b>	Computer	682,400
	Misc.	23,900
	Office	1,900
	<i>Sub-total</i>	<i>708,200</i>
<b>Planning</b>	Misc.	56,300
	Computer	49,900
	<i>Sub-total</i>	<i>106,200</i>
<b>Motor Vehicles</b>	Misc.	197,100
	Computer	98,400
	Office	5,200
	<i>Sub-Total</i>	<i>300,700</i>
<b>Highway Operations</b>	Buy-Back Program	9,367,000
	Road	5,560,100
	Motorized	1,095,800
	Computer	524,100
	Laboratory	434,800
	Misc.	195,900
	Engineering	136,300
	Shop	107,600
	Office	29,100
	Communications	13,800
	<i>Sub-total</i>	<i>17,464,500</i>
<b>Aeronautics</b>	Computer	7,500
<b>Public Transportation</b>	Computer	3,000
	Office	1,900
	<i>Sub-total</i>	<i>4,900</i>
<b>TOTAL</b>		<b>18,592,000</b>

# Idaho Transportation Department

Analyst: Milstead

## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2005 Original Appropriation</b>	<b>1,833.50</b>	<b>0</b>	<b>425,910,300</b>	<b>1,833.50</b>	<b>0</b>	<b>425,910,300</b>
Reappropriations	0.00	0	142,689,700	0.00	0	142,689,700
HB 805 One-time 1% Salary Increase	0.00	0	840,300	0.00	0	840,300
Governor's Rescission	0.00	0	0	0.00	0	(1,632,600)
<b>FY 2005 Total Appropriation</b>	<b>1,833.50</b>	<b>0</b>	<b>569,440,300</b>	<b>1,833.50</b>	<b>0</b>	<b>567,807,700</b>
Removal of One-Time Expenditures	0.00	0	(159,249,400)	0.00	0	(159,167,600)
Base Adjustments	0.00	0	(113,700)	0.00	0	1,437,100
<b>FY 2006 Base</b>	<b>1,833.50</b>	<b>0</b>	<b>410,077,200</b>	<b>1,833.50</b>	<b>0</b>	<b>410,077,200</b>
Benefit Costs	0.00	0	1,864,400	0.00	0	1,443,100
Inflationary Adjustments	0.00	0	724,600	0.00	0	0
Replacement Items	0.00	0	18,592,000	0.00	0	18,592,000
Nonstandard Adjustments	0.00	0	520,400	0.00	0	520,400
Change in Employee Compensation	0.00	0	874,900	0.00	0	874,900
27th Payroll	0.00	0	3,483,000	0.00	0	3,483,000
<b>FY 2006 Program Maintenance</b>	<b>1,833.50</b>	<b>0</b>	<b>436,136,500</b>	<b>1,833.50</b>	<b>0</b>	<b>434,990,600</b>
1. Construction Spending Authority	0.00	0	41,708,100	0.00	0	42,418,300
2. Planning Spending Authority	0.00	0	421,300	0.00	0	421,300
<b>FY 2006 Total</b>	<b>1,833.50</b>	<b>0</b>	<b>478,265,900</b>	<b>1,833.50</b>	<b>0</b>	<b>477,830,200</b>
Change from Original Appropriation	0.00	0	52,355,600	0.00	0	51,919,900
% Change from Original Appropriation			12.3%			12.2%

# Idaho Transportation Department

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2005 Original Appropriation</b>					
	1,833.50	0	205,352,500	220,557,800	425,910,300

## Reappropriations

The Department's FY 2005 appropriation authorized ITD to carryover FY 2004 unencumbered balances from the Contract Construction and Right-of-Way Acquisition Program for that same purpose in FY 2005. That amounted to \$34.7 million in state highway funds, \$2.5 million local funds, and \$103.8 million in federal funds. The bill also authorized carryover of unexpended and unencumbered money previously appropriated from the Disaster Fund which amounted to \$681,400. Finally, the bill authorized carryover of State Aeronautics Fund balances for trustee and benefit payments to be used for Airport Development Grants which amounted to about \$890,000.

Agency Request	0.00	0	38,665,500	104,024,200	142,689,700
Governor's Recommendation	0.00	0	38,665,500	104,024,200	142,689,700

## HB 805 One-time 1% Salary Increase

Reflects one-time salary increase stemming from HB 805.

Agency Request	0.00	0	721,600	118,700	840,300
Governor's Recommendation	0.00	0	721,600	118,700	840,300

## Governor's Rescission

Agency Request	0.00	0	0	0	0
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*The Governor recommends removal of funds not needed to implement HB 805. In addition, the Governor recommends removal of risk management funding in excess of needs calculated by the Department of Administration.*

Governor's Recommendation	0.00	0	(1,621,500)	(11,100)	(1,632,600)
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<b>FY 2005 Total Appropriation</b>					
Agency Request	1,833.50	0	244,739,600	324,700,700	569,440,300
Governor's Recommendation	1,833.50	0	243,118,100	324,689,600	567,807,700

## Removal of One-Time Expenditures

Removes one-time expenditures, including capital outlay and \$142.7 million in carryover.

Agency Request	0.00	0	(55,106,500)	(104,142,900)	(159,249,400)
Governor's Recommendation	0.00	0	(55,035,800)	(104,131,800)	(159,167,600)

# Idaho Transportation Department

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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## Base Adjustments

Reflects the following adjustments:

**DIVISION OF PLANNING/DIVISION OF HIGHWAY OPERATIONS/DIVISION OF MOTOR VEHICLES:** This reflects the Department's reorganization of its transportation research efforts. All spending authority related to research activities is being transferred to the Planning Division (8.0 FTP and \$486,400 in Personnel Costs; \$518,000 in Operating Expenditures; \$280,000 in Trustee/Benefit payments; and \$3,900 in Capital Outlay). The majority of this transfer is from the Division of Highways. The purpose of this transfer is to provide a department-wide focus on all transportation modes (Highways, Aeronautics, Public Transportation, Safety, etc.) rather than limited just to highway activities. The Department believes this framework crosses divisions and funding sources while integrating long-range planning efforts with program investment options. All basic functions will remain the same, but will include an emphasis on all transportation modes. In addition to the reorganization, there is also a base reduction of \$41,500 to eliminate interagency spending authority no longer needed.

**DIVISION OF MOTOR VEHICLES:** Transfer of 1.0 FTP to the Aeronautics budget unit (spending authority for the FTP is accomplished with a shift from OE to PC in Aeronautics). There is a corresponding reduction of \$72,200 in personnel costs in the Motor Vehicles. This position was not being used in the Motor Vehicles program. This realignment is needed to provide Aeronautics with a sufficient personnel complement. For safety purposes, King Air flights are staffed with two pilots on each flight. Currently, the two pilots are comprised of one full-time pilot and an hourly pilot. Benefits of staffing the two-pilot requirement for King Air flights with full-time employees include safety and consistency by having two pilots that are accustomed to working together in the cockpit and not having to rely on less familiar part-time pilots. Also, there will be reduced training costs in that only two pilots will need to be sent out-of-state to receive annual training (required for insurance purposes) instead of having to send up to six part-time employees to training each year. (NOTE: In the Aeronautics budget unit, there is a corresponding shift of \$51,600 in spending authority from operating expenditures to personnel costs to fund this position).

**DIVISION OF HIGHWAY OPERATIONS:** Reflects a fund shift of \$5.0 million from federal funds to dedicated funds to properly align spending authority with expenditures in accord with state-wide accounting rules. This stems from the Department's review of projects in the FY 2006 highway program which identified certain costs for planning and research more properly recorded as costs in the Highway Operations budget unit.

**CONTRACT CONSTRUCTION AND RIGHT-OF-WAY ACQUISITION:** Includes shifts between object codes to reflect proper standard class alignment for project costs. These shifts stem from a review of projects in the FY 2006 highway program which identified proper standard class alignment of spending authority, in conformance with state accounting rules. Includes a shift of \$14,697,000 from capital outlay to trustee/benefit payments (\$5,580,000) and to operating expenditures (\$9,117,000).

Agency Request	0.00	0	4,136,300	(4,250,000)	(113,700)
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*Restore risk management rescission to the base.*

Governor's Recommendation	0.00	0	5,687,100	(4,250,000)	1,437,100
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FY 2006 Base					
Agency Request	1,833.50	0	193,769,400	216,307,800	410,077,200
Governor's Recommendation	1,833.50	0	193,769,400	216,307,800	410,077,200



# Idaho Transportation Department

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## Budget by Decision Unit

	FTP	General	Dedicated	Federal	Total
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### Benefit Costs

Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are health insurance rates and retirement rates. Health insurance is projected to increase by 9.7% or \$632 per position. Retirement rates are scheduled to increase by 5.9% from 10.39% to 11% of salary for regular employees and by 5.7% from 10.73% to 11.34% of salary for police and firefighters. Other benefit changes include a reduction in unemployment insurance rates, a reduction in Division of Human Resources rates for classified employees, and an increase in workers compensation rates.

Agency Request	0.00	0	1,641,700	222,700	1,864,400
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*The Governor does not recommend increases related to changes in the Public Employee's Retirement System.*

Governor's Recommendation	0.00	0	1,270,600	172,500	1,443,100
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### Inflationary Adjustments

Includes a general inflationary increase of 1.3% in operating expenditures.

Agency Request	0.00	0	576,600	148,000	724,600
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*The Governor recommends no increase for general inflation.*

Governor's Recommendation	0.00	0	0	0	0
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### Replacement Items

This reflects the Department's request for replacement items, by type: \$5,560,100 for road equipment; \$1,365,300 for computer equipment, \$1,095,800 for motorized equipment, \$9,367,000 for the Buy-Back program; \$473,200 for miscellaneous equipment; \$434,800 for laboratory equipment; \$136,300 for engineering equipment; \$107,600 for shop equipment; \$38,100 for office equipment; and \$13,800 for communications equipment. [NOTE: More detail regarding Replacement Items can be found in the Agency Profile pages of this budget].

Agency Request	0.00	0	18,592,000	0	18,592,000
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Governor's Recommendation	0.00	0	18,592,000	0	18,592,000
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### Nonstandard Adjustments

The Statewide Cost Allocation Plan assesses state agencies for their actual use of Attorney General (reduction of \$63,900), State Controller (increase of \$27,300) and State Treasurer services (reduction of \$4,700). Also included are changes in property and casualty insurance premiums (increase of \$23,700) and the cost of office space leased to state agencies by the Department of Administration.

Other Nonstandard Adjustments include the following, by Division:

Division of Management and Administrative Support: \$8,400 in spending authority for increases in electricity (\$2,600) and natural gas (\$5,800); and \$52,800 for anticipated additional interagency revenue from other agencies use of the ITD WAN. This shared use of existing communications resources eliminates redundant costs; Division of Planning: \$200 for electricity increase; Division of Motor Vehicles: \$1,300 for electricity, \$100 for natural gas; Division of Highway Operations: \$390,000 for increases in fuel costs, \$18,200 for an increase in the steel guardrail contract, \$42,400 for electricity, and \$23,600 for natural gas/propane; Division of Aeronautics: electricity \$100, natural gas \$900.

Agency Request	0.00	0	520,200	200	520,400
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Governor's Recommendation	0.00	0	520,200	200	520,400
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### Change in Employee Compensation

Reflects the cost of a 1% salary increase for permanent and group positions.

Agency Request	0.00	0	765,600	109,300	874,900
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*The Governor recommends a compensation increase of 1% to be distributed based on merit. No adjustment to the pay line is recommended.*

Governor's Recommendation	0.00	0	765,600	109,300	874,900
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# Idaho Transportation Department

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>27th Payroll</b>					
Reflects the cost of one additional payroll in fiscal year 2006. This happens every eleven or twelve years because there are 364 days in 26 payperiods but a year has 365.242 days.					
Agency Request	0.00	0	3,047,500	435,500	3,483,000
Governor's Recommendation	0.00	0	3,047,500	435,500	3,483,000
<b>FY 2006 Program Maintenance</b>					
Agency Request	1,833.50	0	218,913,000	217,223,500	436,136,500
Governor's Recommendation	1,833.50	0	217,965,300	217,025,300	434,990,600
<b>1. Construction Spending Authority</b>			<b>Contract Construction &amp; Right-of-Way Acquisition</b>		
This enhancement reflects higher projected levels of funding under the extension of the multi-year federal highway act and forecasted increases in state dedicated and local funds. The enhancement reflects a \$41,708,100 million increase in spending authority to match the level of funding projected by the Federal Highway Administration under the Surface Transportation Extension of 2004, Part V and related state and local match. The request includes an increase in federal dollars of \$33,670,700 to reflect Congress' most recent extension of federal highway funding. The request also includes increases in state dedicated funds of approximately \$6.1 million and \$1.9 million in local funds. The increases in spending authority will be used for the purchase of right-of-way, to make payments to private contractors for work performed on construction projects and to match available federal aid.					
Agency Request	0.00	0	8,037,400	33,670,700	41,708,100
Governor's Recommendation	0.00	0	8,602,700	33,815,600	42,418,300
<b>2. Planning Spending Authority</b>			<b>Planning</b>		
The Department requests \$421,300 in spending authority (\$337,100 federal funds; \$84,200 dedicated funds) to reflect the projected level of funding available in FY 2006 for planning and research activities. This enhancement adjusts the level of appropriated spending authority, by fund source, in the Transportation Planning budget unit to levels projected to be available under reauthorization of the federal highway funding act. Funds will be used to conduct planning and research functions related to all transportation modes managed by the department. It is expected that, under reauthorization, two percent of federal highway funding will be targeted for use in planning and research activities. This enhancement brings spending authority in the Transportation Planning budget unit to the projected level for FY06. Federal State Planning and Research costs are reimbursed 80% from the Federal Highway Administration with a 20% state match.					
Agency Request	0.00	0	84,200	337,100	421,300
Governor's Recommendation	0.00	0	84,200	337,100	421,300
<b>FY 2006 Total</b>					
Agency Request	1,833.50	0	227,034,600	251,231,300	478,265,900
Governor's Recommendation	1,833.50	0	226,652,200	251,178,000	477,830,200
Agency Request					
Change from Original App	0.00	0	21,682,100	30,673,500	52,355,600
% Change from Original App	0.0%		10.6%	13.9%	12.3%
Governor's Recommendation					
Change from Original App	0.00	0	21,299,700	30,620,200	51,919,900
% Change from Original App	0.0%		10.4%	13.9%	12.2%